

1 AN ACT relating to prescription insulin.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 304.17A-148 is amended to read as follows:

- 4 (1) All health benefit plans issued or renewed on or after *the effective date of this*  
5 *Act*~~[July 15, 1998]~~, shall provide coverage for equipment, supplies, outpatient self-  
6 management training and education, including medical nutrition therapy, and all  
7 medications necessary for the treatment of insulin-dependent diabetes, insulin-using  
8 diabetes, gestational diabetes, and noninsulin-using diabetes if prescribed by a  
9 health care provider legally authorized to prescribe the items.
- 10 (2) Diabetes outpatient self-management training and education shall be provided by a  
11 certified, registered, or licensed health care professional with expertise in diabetes,  
12 as deemed necessary by a health care provider.
- 13 (3) (a) *Except as provided in paragraphs (b) and (f) of this subsection,* the benefits  
14 provided in this section shall be subject to the same annual deductibles or  
15 coinsurance established for all other covered benefits within a given health  
16 benefit plan.
- 17 (b) *Cost sharing for a covered prescription insulin drug shall not exceed one*  
18 *hundred dollars (\$100) per thirty (30) day supply of each insulin*  
19 *prescription drug, regardless of the amount or type of insulin needed to*  
20 *meet the covered person's insulin needs.*
- 21 (c) Private third-party payors may not reduce or eliminate coverage due to the  
22 requirements of this section.
- 23 (d) *Except as provided in Section 7 of this Act, paragraphs (b) and (f) of this*  
24 *subsection shall not apply to governmental plans as defined in KRS*  
25 *304.17A-005 that are self-insured.*
- 26 (e) *Nothing in this subsection shall prevent an insurer from establishing cost-*  
27 *sharing requirements for covered prescription insulin drugs below the*

1 amount specified in paragraph (b) of this subsection.

2 (f) If, on the effective date of this Act, a health benefit plan includes a cost-  
3 sharing requirement that is less than one hundred dollars (\$100) for a thirty  
4 (30) day supply of a covered prescription insulin drug, the insurer shall not  
5 increase that cost-sharing requirement.

6 (4) As used in this section, "cost sharing" has the same meaning as in KRS 304.17A-  
7 164.

8 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
9 READ AS FOLLOWS:

10 For the purposes of Sections 2 to 6 of this Act, unless the context otherwise requires:

11 (1) "Administrator" has the same meaning as in KRS 304.9-051;

12 (2) "Insurer" has the same meaning as in KRS 304.17A-005;

13 (3) "Pharmacy benefit manager" has the same meaning as in KRS 304.9-020;

14 (4) "Program" means the insulin assistance program established in Section 3 of this  
15 Act;

16 (5) "Qualified individual" means an individual who:

17 (a) Does not have health coverage through the state medical assistance  
18 program established in KRS Chapter 205 or a health benefit plan as defined  
19 in KRS 304.17A-005; and

20 (b) Meets the standards for financial need as established by the cabinet  
21 pursuant to Section 3 of this Act; and

22 (6) "Qualified insulin product" means any prescription product containing insulin  
23 for which the cabinet has determined that the wholesale acquisition cost of the  
24 drug, or other relevant measure of drug cost, exceeds the national average for  
25 comparable prescription products containing insulin.

26 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
27 READ AS FOLLOWS:

1 (1) The cabinet shall establish, implement, and begin administration of an insulin  
2 assistance program no later than January 1, 2021. Under the program, the  
3 cabinet shall:

4 (a) To the extent that moneys are available, reimburse participating pharmacies  
5 for insulin products and related supplies that are dispensed by the  
6 pharmacy to qualified individuals subject to a valid prescription;

7 (b) Develop standards for financial need and a statement of financial need  
8 form which shall be made available to individuals and health care  
9 professionals on the cabinet's Web site. The statement of financial need  
10 form shall:

11 1. Require the individual signing the form to attest that he or she  
12 requires insulin products and related supplies to avoid serious health  
13 complications;

14 2. Require the individual signing the form to attest, to the physician or  
15 other health care professional providing a prescription for insulin  
16 products and related supplies, that the individual lacks the financial  
17 means to pay for insulin products and related supplies, meets the  
18 program's standards for financial need established by the cabinet, and  
19 does not have health coverage through the state medical assistance  
20 program established in KRS Chapter 205 or a health benefit plan as  
21 defined in KRS 304.17A-005; and

22 3. Provide for the signature of both the individual and the physician or  
23 other health care professional providing a prescription for insulin  
24 products and related supplies;

25 (c) Establish, on a sliding scale, a program fee of up to one hundred dollars  
26 (\$100) that shall be charged by participating pharmacies to qualified  
27 individuals when filling a prescription for insulin products and related

1 supplies;

2 (d) Accept, review, and, within thirty (30) days of receipt, approve or deny  
3 statements of financial need from persons seeking to participate in the  
4 program as qualified individuals;

5 (e) Notify an individual who has submitted a statement of financial need form  
6 if his or her participation in the program has been approved or denied  
7 within five (5) days of approving or denying participation. If participation in  
8 the program is approved, the cabinet shall also notify the individual of the  
9 program participation fee that shall be charged to the individual by a  
10 participating pharmacy;

11 (f) Seek participation in the program by pharmacies in all areas of the state;

12 (g) Maintain a list of qualified individuals and the program fee for which the  
13 individual is responsible for paying on the cabinet's Web site;

14 (h) Maintain a list of participating pharmacies on the cabinet's Web site; and

15 (i) Promulgate administrative regulations necessary to carry out the provisions  
16 of Sections 2 to 6 of this Act.

17 (2) The cabinet may issue membership or participation cards to individuals approved  
18 for participation in the program.

19 (3) The cabinet shall only deny an individual's participation in the program if he or  
20 she:

21 (a) Does not meet the standards for financial need established by the cabinet;

22 (b) Failed to submit a completed and signed statement of financial need;

23 (c) Provided false or falsified information; or

24 (d) Did not provide information required by the cabinet, through administrative  
25 regulations, to be submitted with a statement of financial need.

26 (4) The cabinet shall notify an individual in writing of a denial and reasons for the  
27 denial by registered or certified mail. The individual may, within thirty (30) days

1 after the date of the mailing of the cabinet's notice, file a written request for an  
2 administrative hearing on the application to participate in the program. The  
3 hearing shall be conducted in compliance with the requirements of KRS Chapter  
4 13B.

5 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
6 READ AS FOLLOWS:

7 (1) An individual wishing to participate in the insulin assistance program established  
8 in Section 3 of this Act shall submit to the cabinet a completed and signed  
9 statement of financial need form established by the cabinet pursuant to Section 3  
10 of this Act and any other information required by the cabinet in accordance with  
11 administrative regulations.

12 (2) (a) An individual who is approved by the cabinet for participation in the  
13 program shall be eligible for the program for one (1) year from the date of  
14 approval by the cabinet.

15 (b) An individual may extend or renew his or her eligibility and participation in  
16 the program for an additional year by submitting a new statement of  
17 financial need to the cabinet.

18 (c) There shall be no limit to the number of times an individual's participation  
19 in the program may be extended if he or she continues to meet the standards  
20 of financial need established by the cabinet and does not have health  
21 coverage through the state medical assistance program established in KRS  
22 Chapter 205 or a health benefit plan as defined in KRS 304.17A-005.

23 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
24 READ AS FOLLOWS:

25 (1) Pharmacy participation in the insulin assistance program established in Section  
26 3 of this Act shall be voluntary.

27 (2) A pharmacy wishing to participate in the program shall register with the cabinet

1 in a manner prescribed by the cabinet and shall agree to the reimbursement  
2 terms established by the cabinet.

3 (3) When dispensing insulin products and related supplies to a qualified individual  
4 who presents a valid prescription and who is included on the list of qualified  
5 individuals maintained by the cabinet, a participating pharmacy shall:

6 (a) Collect and retain the individual's program participation fee established by  
7 the cabinet pursuant to Section 3 of this Act;

8 (b) Provide the qualified individual with information about any relevant drug  
9 manufacturer patient discount programs; and

10 (c) Provide the qualified individual with information about applying for the  
11 state medical assistance program.

12 ➔SECTION 6. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
13 READ AS FOLLOWS:

14 (1) (a) Beginning on December 1, 2020, a manufacturer who has obtained a  
15 permit under KRS 315.036 or a wholesale distributor licensed under KRS  
16 315.402 shall provide the cabinet, in a manner prescribed by the cabinet,  
17 with the following information about each of its products that contains  
18 insulin and that is sold within the state:

19 1. The trade and generic name of the product;

20 2. The strength of the product;

21 3. The package size in which the product is sold;

22 4. The wholesale acquisition cost of the product;

23 5. The National Drug Code for the product; and

24 6. Any other information required by the cabinet.

25 (b) A manufacturer or wholesale distributor shall notify the cabinet of any  
26 change to this data no later than thirty (30) days after the change is made.

27 (c) The cabinet may require a manufacturer or wholesale distributor to

- 1 confirm the accuracy of the data on a quarterly basis.
- 2 (2) (a) Beginning on December 1, 2020, and on a monthly basis thereafter, any  
3 administrator, insurer, pharmacy benefit manager, or any other entity that  
4 processes pharmacy benefit claims in the Commonwealth shall submit a  
5 report to the cabinet that contains at least the following information:
- 6 1. The number of claims processed for qualified insulin products;  
7 2. The total number of international units of a qualified insulin product  
8 represented in the claims processed for qualified insulin products; and  
9 3. Any other information required by the cabinet.
- 10 (b) Reporting shall be made in a manner prescribed by the cabinet and shall  
11 occur by the fifteenth day of each calendar month for all claims processed  
12 during the previous calendar month, except that the first report submitted to  
13 the cabinet shall include data retroactive to July 1, 2020.

14 ➔Section 7. KRS 18A.225 is amended to read as follows:

- 15 (1) (a) The term "employee" for purposes of this section means:
- 16 1. Any person, including an elected public official, who is regularly  
17 employed by any department, office, board, agency, or branch of state  
18 government; or by a public postsecondary educational institution; or by  
19 any city, urban-county, charter county, county, or consolidated local  
20 government, whose legislative body has opted to participate in the state-  
21 sponsored health insurance program pursuant to KRS 79.080; and who  
22 is either a contributing member to any one (1) of the retirement systems  
23 administered by the state, including but not limited to the Kentucky  
24 Retirement Systems, Kentucky Teachers' Retirement System, the  
25 Legislators' Retirement Plan, or the Judicial Retirement Plan; or is  
26 receiving a contractual contribution from the state toward a retirement  
27 plan; or, in the case of a public postsecondary education institution, is an

- 1 individual participating in an optional retirement plan authorized by  
2 KRS 161.567; or is eligible to participate in a retirement plan  
3 established by an employer who ceases participating in the Kentucky  
4 Employees Retirement System pursuant to KRS 61.522 whose  
5 employees participated in the health insurance plans administered by the  
6 Personnel Cabinet prior to the employer's effective cessation date in the  
7 Kentucky Employees Retirement System;
- 8 2. Any certified or classified employee of a local board of education;  
9 3. Any elected member of a local board of education;  
10 4. Any person who is a present or future recipient of a retirement  
11 allowance from the Kentucky Retirement Systems, Kentucky Teachers'  
12 Retirement System, the Legislators' Retirement Plan, the Judicial  
13 Retirement Plan, or the Kentucky Community and Technical College  
14 System's optional retirement plan authorized by KRS 161.567, except  
15 that a person who is receiving a retirement allowance and who is age  
16 sixty-five (65) or older shall not be included, with the exception of  
17 persons covered under KRS 61.702(4)(c), unless he or she is actively  
18 employed pursuant to subparagraph 1. of this paragraph; and
- 19 5. Any eligible dependents and beneficiaries of participating employees  
20 and retirees who are entitled to participate in the state-sponsored health  
21 insurance program;
- 22 (b) The term "health benefit plan" for the purposes of this section means a health  
23 benefit plan as defined in KRS 304.17A-005;
- 24 (c) The term "insurer" for the purposes of this section means an insurer as defined  
25 in KRS 304.17A-005; and
- 26 (d) The term "managed care plan" for the purposes of this section means a  
27 managed care plan as defined in KRS 304.17A-500.



1 (2) (a) The secretary of the Finance and Administration Cabinet, upon the  
2 recommendation of the secretary of the Personnel Cabinet, shall procure, in  
3 compliance with the provisions of KRS 45A.080, 45A.085, and 45A.090,  
4 from one (1) or more insurers authorized to do business in this state, a group  
5 health benefit plan that may include but not be limited to health maintenance  
6 organization (HMO), preferred provider organization (PPO), point of service  
7 (POS), and exclusive provider organization (EPO) benefit plans encompassing  
8 all or any class or classes of employees. With the exception of employers  
9 governed by the provisions of KRS Chapters 16, 18A, and 151B, all  
10 employers of any class of employees or former employees shall enter into a  
11 contract with the Personnel Cabinet prior to including that group in the state  
12 health insurance group. The contracts shall include but not be limited to  
13 designating the entity responsible for filing any federal forms, adoption of  
14 policies required for proper plan administration, acceptance of the contractual  
15 provisions with health insurance carriers or third-party administrators, and  
16 adoption of the payment and reimbursement methods necessary for efficient  
17 administration of the health insurance program. Health insurance coverage  
18 provided to state employees under this section shall, at a minimum, contain  
19 the same benefits as provided under Kentucky Kare Standard as of January 1,  
20 1994, and shall include a mail-order drug option as provided in subsection  
21 (13) of this section. All employees and other persons for whom the health care  
22 coverage is provided or made available shall annually be given an option to  
23 elect health care coverage through a self-funded plan offered by the  
24 Commonwealth or, if a self-funded plan is not available, from a list of  
25 coverage options determined by the competitive bid process under the  
26 provisions of KRS 45A.080, 45A.085, and 45A.090 and made available  
27 during annual open enrollment.

- 1           (b) The policy or policies shall be approved by the commissioner of insurance and  
2           may contain the provisions the commissioner of insurance approves, whether  
3           or not otherwise permitted by the insurance laws.
- 4           (c) Any carrier bidding to offer health care coverage to employees shall agree to  
5           provide coverage to all members of the state group, including active  
6           employees and retirees and their eligible covered dependents and  
7           beneficiaries, within the county or counties specified in its bid. Except as  
8           provided in subsection (20) of this section, any carrier bidding to offer health  
9           care coverage to employees shall also agree to rate all employees as a single  
10          entity, except for those retirees whose former employers insure their active  
11          employees outside the state-sponsored health insurance program.
- 12          (d) Any carrier bidding to offer health care coverage to employees shall agree to  
13          provide enrollment, claims, and utilization data to the Commonwealth in a  
14          format specified by the Personnel Cabinet with the understanding that the data  
15          shall be owned by the Commonwealth; to provide data in an electronic form  
16          and within a time frame specified by the Personnel Cabinet; and to be subject  
17          to penalties for noncompliance with data reporting requirements as specified  
18          by the Personnel Cabinet. The Personnel Cabinet shall take strict precautions  
19          to protect the confidentiality of each individual employee; however,  
20          confidentiality assertions shall not relieve a carrier from the requirement of  
21          providing stipulated data to the Commonwealth.
- 22          (e) The Personnel Cabinet shall develop the necessary techniques and capabilities  
23          for timely analysis of data received from carriers and, to the extent possible,  
24          provide in the request-for-proposal specifics relating to data requirements,  
25          electronic reporting, and penalties for noncompliance. The Commonwealth  
26          shall own the enrollment, claims, and utilization data provided by each carrier  
27          and shall develop methods to protect the confidentiality of the individual. The

- 1 Personnel Cabinet shall include in the October annual report submitted  
2 pursuant to the provisions of KRS 18A.226 to the Governor, the General  
3 Assembly, and the Chief Justice of the Supreme Court, an analysis of the  
4 financial stability of the program, which shall include but not be limited to  
5 loss ratios, methods of risk adjustment, measurements of carrier quality of  
6 service, prescription coverage and cost management, and statutorily required  
7 mandates. If state self-insurance was available as a carrier option, the report  
8 also shall provide a detailed financial analysis of the self-insurance fund  
9 including but not limited to loss ratios, reserves, and reinsurance agreements.
- 10 (f) If any agency participating in the state-sponsored employee health insurance  
11 program for its active employees terminates participation and there is a state  
12 appropriation for the employer's contribution for active employees' health  
13 insurance coverage, then neither the agency nor the employees shall receive  
14 the state-funded contribution after termination from the state-sponsored  
15 employee health insurance program.
- 16 (g) Any funds in flexible spending accounts that remain after all reimbursements  
17 have been processed shall be transferred to the credit of the state-sponsored  
18 health insurance plan's appropriation account.
- 19 (h) Each entity participating in the state-sponsored health insurance program shall  
20 provide an amount at least equal to the state contribution rate for the employer  
21 portion of the health insurance premium. For any participating entity that used  
22 the state payroll system, the employer contribution amount shall be equal to  
23 but not greater than the state contribution rate.
- 24 (3) The premiums may be paid by the policyholder:
- 25 (a) Wholly from funds contributed by the employee, by payroll deduction or  
26 otherwise;
- 27 (b) Wholly from funds contributed by any department, board, agency, public

1 postsecondary education institution, or branch of state, city, urban-county,  
2 charter county, county, or consolidated local government; or

3 (c) Partly from each, except that any premium due for health care coverage or  
4 dental coverage, if any, in excess of the premium amount contributed by any  
5 department, board, agency, postsecondary education institution, or branch of  
6 state, city, urban-county, charter county, county, or consolidated local  
7 government for any other health care coverage shall be paid by the employee.

8 (4) If an employee moves his place of residence or employment out of the service area  
9 of an insurer offering a managed health care plan, under which he has elected  
10 coverage, into either the service area of another managed health care plan or into an  
11 area of the Commonwealth not within a managed health care plan service area, the  
12 employee shall be given an option, at the time of the move or transfer, to change his  
13 or her coverage to another health benefit plan.

14 (5) No payment of premium by any department, board, agency, public postsecondary  
15 educational institution, or branch of state, city, urban-county, charter county,  
16 county, or consolidated local government shall constitute compensation to an  
17 insured employee for the purposes of any statute fixing or limiting the  
18 compensation of such an employee. Any premium or other expense incurred by any  
19 department, board, agency, public postsecondary educational institution, or branch  
20 of state, city, urban-county, charter county, county, or consolidated local  
21 government shall be considered a proper cost of administration.

22 (6) The policy or policies may contain the provisions with respect to the class or classes  
23 of employees covered, amounts of insurance or coverage for designated classes or  
24 groups of employees, policy options, terms of eligibility, and continuation of  
25 insurance or coverage after retirement.

26 (7) Group rates under this section shall be made available to the disabled child of an  
27 employee regardless of the child's age if the entire premium for the disabled child's

1 coverage is paid by the state employee. A child shall be considered disabled if he  
2 has been determined to be eligible for federal Social Security disability benefits.

3 (8) The health care contract or contracts for employees shall be entered into for a period  
4 of not less than one (1) year.

5 (9) The secretary shall appoint thirty-two (32) persons to an Advisory Committee of  
6 State Health Insurance Subscribers to advise the secretary or his designee regarding  
7 the state-sponsored health insurance program for employees. The secretary shall  
8 appoint, from a list of names submitted by appointing authorities, members  
9 representing school districts from each of the seven (7) Supreme Court districts,  
10 members representing state government from each of the seven (7) Supreme Court  
11 districts, two (2) members representing retirees under age sixty-five (65), one (1)  
12 member representing local health departments, two (2) members representing the  
13 Kentucky Teachers' Retirement System, and three (3) members at large. The  
14 secretary shall also appoint two (2) members from a list of five (5) names submitted  
15 by the Kentucky Education Association, two (2) members from a list of five (5)  
16 names submitted by the largest state employee organization of nonschool state  
17 employees, two (2) members from a list of five (5) names submitted by the  
18 Kentucky Association of Counties, two (2) members from a list of five (5) names  
19 submitted by the Kentucky League of Cities, and two (2) members from a list of  
20 names consisting of five (5) names submitted by each state employee organization  
21 that has two thousand (2,000) or more members on state payroll deduction. The  
22 advisory committee shall be appointed in January of each year and shall meet  
23 quarterly.

24 (10) Notwithstanding any other provision of law to the contrary, the policy or policies  
25 provided to employees pursuant to this section shall not provide coverage for  
26 obtaining or performing an abortion, nor shall any state funds be used for the  
27 purpose of obtaining or performing an abortion on behalf of employees or their

1 dependents.

2 (11) Interruption of an established treatment regime with maintenance drugs shall be  
3 grounds for an insured to appeal a formulary change through the established appeal  
4 procedures approved by the Department of Insurance, if the physician supervising  
5 the treatment certifies that the change is not in the best interests of the patient.

6 (12) Any employee who is eligible for and elects to participate in the state health  
7 insurance program as a retiree, or the spouse or beneficiary of a retiree, under any  
8 one (1) of the state-sponsored retirement systems shall not be eligible to receive the  
9 state health insurance contribution toward health care coverage as a result of any  
10 other employment for which there is a public employer contribution. This does not  
11 preclude a retiree and an active employee spouse from using both contributions to  
12 the extent needed for purchase of one (1) state sponsored health insurance policy for  
13 that plan year.

14 (13) (a) The policies of health insurance coverage procured under subsection (2) of  
15 this section shall include a mail-order drug option for maintenance drugs for  
16 state employees. Maintenance drugs may be dispensed by mail order in  
17 accordance with Kentucky law.

18 (b) A health insurer shall not discriminate against any retail pharmacy located  
19 within the geographic coverage area of the health benefit plan and that meets  
20 the terms and conditions for participation established by the insurer, including  
21 price, dispensing fee, and copay requirements of a mail-order option. The  
22 retail pharmacy shall not be required to dispense by mail.

23 (c) The mail-order option shall not permit the dispensing of a controlled  
24 substance classified in Schedule II.

25 (14) The policy or policies provided to state employees or their dependents pursuant to  
26 this section shall provide coverage for obtaining a hearing aid and acquiring hearing  
27 aid-related services for insured individuals under eighteen (18) years of age, subject

1 to a cap of one thousand four hundred dollars (\$1,400) every thirty-six (36) months  
2 pursuant to KRS 304.17A-132.

3 (15) Any policy provided to state employees or their dependents pursuant to this section  
4 shall provide coverage for the diagnosis and treatment of autism spectrum disorders  
5 consistent with KRS 304.17A-142.

6 (16) Any policy provided to state employees or their dependents pursuant to this section  
7 shall provide coverage for obtaining amino acid-based elemental formula pursuant  
8 to KRS 304.17A-258.

9 (17) If a state employee's residence and place of employment are in the same county, and  
10 if the hospital located within that county does not offer surgical services, intensive  
11 care services, obstetrical services, level II neonatal services, diagnostic cardiac  
12 catheterization services, and magnetic resonance imaging services, the employee  
13 may select a plan available in a contiguous county that does provide those services,  
14 and the state contribution for the plan shall be the amount available in the county  
15 where the plan selected is located.

16 (18) If a state employee's residence and place of employment are each located in counties  
17 in which the hospitals do not offer surgical services, intensive care services,  
18 obstetrical services, level II neonatal services, diagnostic cardiac catheterization  
19 services, and magnetic resonance imaging services, the employee may select a plan  
20 available in a county contiguous to the county of residence that does provide those  
21 services, and the state contribution for the plan shall be the amount available in the  
22 county where the plan selected is located.

23 (19) The Personnel Cabinet is encouraged to study whether it is fair and reasonable and  
24 in the best interests of the state group to allow any carrier bidding to offer health  
25 care coverage under this section to submit bids that may vary county by county or  
26 by larger geographic areas.

27 (20) Notwithstanding any other provision of this section, the bid for proposals for health

1 insurance coverage for calendar year 2004 shall include a bid scenario that reflects  
2 the statewide rating structure provided in calendar year 2003 and a bid scenario that  
3 allows for a regional rating structure that allows carriers to submit bids that may  
4 vary by region for a given product offering as described in this subsection:

5 (a) The regional rating bid scenario shall not include a request for bid on a  
6 statewide option;

7 (b) The Personnel Cabinet shall divide the state into geographical regions which  
8 shall be the same as the partnership regions designated by the Department for  
9 Medicaid Services for purposes of the Kentucky Health Care Partnership  
10 Program established pursuant to 907 KAR 1:705;

11 (c) The request for proposal shall require a carrier's bid to include every county  
12 within the region or regions for which the bid is submitted and include but not  
13 be restricted to a preferred provider organization (PPO) option;

14 (d) If the Personnel Cabinet accepts a carrier's bid, the cabinet shall award the  
15 carrier all of the counties included in its bid within the region. If the Personnel  
16 Cabinet deems the bids submitted in accordance with this subsection to be in  
17 the best interests of state employees in a region, the cabinet may award the  
18 contract for that region to no more than two (2) carriers; and

19 (e) Nothing in this subsection shall prohibit the Personnel Cabinet from including  
20 other requirements or criteria in the request for proposal.

21 (21) Any fully insured health benefit plan or self-insured plan issued or renewed on or  
22 after July 12, 2006, to public employees pursuant to this section which provides  
23 coverage for services rendered by a physician or osteopath duly licensed under KRS  
24 Chapter 311 that are within the scope of practice of an optometrist duly licensed  
25 under the provisions of KRS Chapter 320 shall provide the same payment of  
26 coverage to optometrists as allowed for those services rendered by physicians or  
27 osteopaths.



- 1 (22) Any fully insured health benefit plan or self-insured plan issued or renewed on or  
2 after July 12, 2006, to public employees pursuant to this section shall comply with  
3 the provisions of KRS 304.17A-270 and 304.17A-525.
- 4 (23) Any fully insured health benefit plan or self -insured plan issued or renewed on or  
5 after July 12, 2006, to public employees shall comply with KRS 304.17A-600 to  
6 304.17A-633 pertaining to utilization review, KRS 205.593 and 304.17A-700 to  
7 304.17A-730 pertaining to payment of claims, KRS 304.14-135 pertaining to  
8 uniform health insurance claim forms, KRS 304.17A-580 and 304.17A-641  
9 pertaining to emergency medical care, KRS 304.99-123, and any administrative  
10 regulations promulgated thereunder.
- 11 (24) Any fully insured health benefit plan or self-insured plan issued or renewed on or  
12 after July 1, 2019, to public employees pursuant to this section shall comply with  
13 KRS 304.17A-138.
- 14 **(25) Any fully insured health benefit plan or self-insured plan issued or renewed on or**  
15 **after the effective date of this Act, to public employees pursuant to this section**  
16 **shall comply with Section 1 of this Act.**
- 17 ➔Section 8. KRS 304.4-040 is amended to read as follows:
- 18 **(1)** The commissioner may revoke the certificate of authority of any insurer which fails  
19 to pay when due any taxes, fees, licenses, and other charges owing to this state  
20 **including any insulin product fee.** The commissioner may likewise revoke the  
21 license of any agent, surplus lines broker, adjuster, administrator, reinsurance  
22 intermediary broker or manager, rental vehicle agent or managing employee,  
23 specialty credit producer or managing employee, life settlement broker or provider,  
24 or consultant, as to whom any tax or fee required under this code has not been paid  
25 when due.
- 26 **(2) The commissioner may revoke and shall not renew the certificate of authority or**  
27 **license of an administrator or pharmacy benefit manager which fails to pay when**

1        *due any insulin product fee owed to the state.*

2        ➔Section 9. Sections 1 and 7 of this Act take effect January 1, 2021.